

**Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services**

STATEMENT OF BASIS

**Hood Industries, Inc.
Hood Industries, Inc. – Coushatta Sawmill
Coushatta, Red River Parish, Louisiana
Agency Interest Number: 17306
Activity Number: PER20070001
Proposed Permit Number: 2420-00009-V3**

I. APPLICANT

Company:

Hood Industries, Inc.
15 Professional Parkway, Suite 7
Hattiesburg, MS 39402

Facility:

Hood Industries, Inc. – Coushatta Sawmill
306 Wilkinson St
Coushatta, Red River Parish, Louisiana
Latitude 32° 01' 48", Longitude 93° 20' 47"

II. FACILITY AND CURRENT PERMIT STATUS

Hood's Coushatta Sawmill includes a lumber drying and planing operation. The annual production rate of this facility is 140 MM board feet total of dried lumber and rough green lumber.

Southern pine logs are transported via trucks to the facility where they are unloaded and stored in piles in the log yard. At certain times, some of the logs are sprinkled with water to prolong their storage life. Logs are debarked and cut into appropriate lengths. The lumber is then dried in steam-heated kilns to reduce moisture content. After drying, the lumber is sent to the planer, where the lumber is dressed to its final width and thickness, and the lumber is then trimmed to final length. Unused parts of the logs are converted to chips for use as raw material in making paper. The chips are pneumatically conveyed to two overhead storage bins for loading into trucks or rail cars for shipment to a paper mill. Shavings from the planer mill are used as raw material for making particleboard or fiberboard. These shavings are pneumatically conveyed into an overhead storage bin for loading into truck trailers for shipment to other manufacturers. Bark, sawdust, and other wood wastes are used as fuel in the two steam boilers, which supply steam to heat the three lumber kilns. Diesel fuel, unleaded gasoline, hydraulic and lubricating oils, and air-line antifreeze for use in the plant machinery are stored in above-ground tanks and containers.

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The Coushatta Sawmill is a designated Part 70 source. The facility currently operates under Permit No. 2420-00009-V2 and PSD-LA-708(M-1) issued April 25, 2007.

III. PROPOSED PROJECT/PERMIT INFORMATION

Application

A permit application was submitted on May 8, 2007 requesting a Part 70 operating permit renewal/modification for the Hood Industries, Inc. – Coushatta Sawmill.

Project

There are no physical changes with this renewal/modification. Changes in emissions in the Title V and the PSD permits are due to reconciliation with stack test data.

Proposed Permit

Permit 2420-00009-V3 will be the renewal/modification of the Part 70 operating permit for the Hood Industries, Inc. – Coushatta Sawmill. PSD-LA-708(M-2) will also be modified.

Hood's Coushatta Sawmill includes a lumber drying and planing operation. The annual production rate of this facility is 140 MM board feet total of dried lumber and rough green lumber.

There are no physical changes with this renewal. The applicability of National Emissions Standards for Hazardous Air Pollutants (NESHAP) - Subpart DDDD will be included in this renewal.

Permitted Air Emissions

Estimated emissions in tons per year are as follows:

Pollutant	Before	After	Change
PM ₁₀	214.8	214.8	-
SO ₂	0.7	8.9	+ 8.19
NO _x	57.9	78.6	+ 20.7
CO	750.5	665.5	- 85.0
VOC*	252.3	251.6	-0.7

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*** VOC LAC 33:III Chapter 51 Toxic Air Pollutants (TAPs):**

Pollutant	Before	After	Change
Benzene	1.50	1.50	-
Formaldehyde	2.80	2.80	-
Acetaldehyde	0.30	0.30	-
Acrolein	1.40	1.40	-
Methanol	14.60	14.70	+0.10
POM/PAH	0.05	0.05	-
Chlorinated dibenzo-p-dioxins	<0.0001	<0.0001	-
Chlorinated dibenzo furans	<0.0001	<0.0001	-
Total	20.65	20.75	+0.10

Non-VOC LAC 33:III Chapter 51 Toxic Air Pollutants (TAPs):

Pollutant	Before	After	Change
Manganese	1.6	1.46	-0.14
Hydrochloric acid	0.39	6.79	+6.40
Beryllium	<0.001	<0.001	-
Cadmium	0.001	0.001	-
Chromium	0.01	0.01	-
Lead	0.02	0.02	-
Total	2.02	8.28	+6.26

IV REGULATORY ANALYSIS

The applicability of the appropriate regulations is straightforward and provided in the Specific Requirements section of the proposed permit. Similarly, the Monitoring, Reporting and Recordkeeping necessary to demonstrate compliance with the applicable terms, conditions and standards are also provided in the Specific Requirements section of the proposed permit.

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Non-Applicability and Exemptions of Selected Subject Items

Explanation for Exemption Status or Non-Applicability of a Source		
ID No.	Requirement	Note
EQT 1 & 2 Boiler No. 1, Boiler No. 2	Standards of Performance for Fossil-Fuel-Fired Steam Generators for Which Construction is Commenced After August 17, 1971 [40 CFR 60, Subpart D]	DOES NOT APPLY. Maximum heat input <250 MM Btu/hr. [40 CFR 60.40(a)]
	Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units [40 CFR 60, Subpart Dc]	DOES NOT APPLY. Boilers constructed in 1973.
	Emission Standards for Sulfur Dioxide [LAC 33:III.Chapter 15]	EXEMPT. Emissions are less than 100 tons per year of SO ₂ ; sources are exempt from the ppmv limitation of §1503 and continuous emissions monitoring requirement of §1511.A.
	Compliance Assurance Monitoring [40 CFR 64]	DOES NOT APPLY. Multiclones are not considered control devices. They are inherent to the process operations of the wood-fired boilers.
EQT 7	Filling of Gasoline Storage Vessels [LAC 33:III.2131.]	EXEMPT. Facility in attainment area. [2131.D.1]

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Prevention of Significant Deterioration/Nonattainment Review

The PSD permit is being modified to reconcile emissions based on stack test data.

Streamlined Equipment Leak Monitoring Program

The Hood Industries, Inc. Coushatta Sawmill has no streamlined equipment monitored.

Unit or Plant Site	Program Being Streamlined	Stream Applicability	Overall Most Stringent Program
None			

MACT Requirements

This facility is a major source of toxic air pollutants (TAPs) pursuant to LAC 33:III.Chapter 51.

Lumber dry kilns are included in the source category of Plywood and Composite Wood Products (PCWP) MACT standards published on July 30, 2004 at 40 CFR Part 63 Subpart DDDD. These MACT standards specifically address emissions of methanol and formaldehyde. MACT standards for lumber dry kilns are no control. The facility is in compliance with these MACT standards.

Practice good wood combustion has been determined to be MACT for both Bark Fired Boilers.

Because the court vacated EPA's rules, the Department has initiated proposed rulemaking repealing the incorporation by reference of the Boiler MACT and the definitions revised in 70 Federal Register 55,568 in order to be consistent with federal regulations. The proposed regulations will also suspend the operation of any term or condition currently existing in a permit that references the Boiler MACT. The Federal MACT specific requirements have been removed for Boiler No. 1 and Boiler No. 2 (EQT001 and EQT002) due to court vacature of Subpart DDDD.

Sources that were subject to the vacated Boiler MACT may now be subject to case-by-case MACT under Clean Air Act Section 112(g) or 112(j). The EPA is in the process of determining if case-by-case MACT was triggered when the court vacated the Boiler MACT. If case-by-case MACT was triggered, you will be notified in a separate letter. Sources affected by case-by-case MACT will be required to file a permit application in accordance with 40 CFR part 63 subpart B requesting that the State issue a case-by-case MACT determination.

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Hood Industries, Inc. will comply with the applicable provisions of National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products, Subpart DDDD, by October 1, 2008 for the Coushatta sawmill. Subpart DDDD requirements for sawmill kilns is no additional controls.

Air Quality Analysis

Emissions associated with the proposed facility were reviewed by the Air Quality Assessment Division to ensure compliance with NAAQS and AAS. LDEQ did not require the applicant to model emissions.

General Condition XVII Activities

The facility will comply with the applicable General Condition XVII Activities emissions as required by the operating permit rule. However, General Condition XVII Activities are not subject to testing, monitoring, reporting or recordkeeping requirements. For a list of approved General Condition XVII Activities, refer to the Section VIII – General Condition XVII Activities of the proposed permit.

Insignificant Activities

All Insignificant Activities are authorized under LAC 33:III.501.B.5. For a list of approved Insignificant Activities, refer to the Section IX – Insignificant Activities of the proposed permit.

V. PERMIT SHIELD

No permit shield was requested.

VI. PERIODIC MONITORING

Hood Industries, Inc., shall demonstrate compliance with the opacity limits of this permit by visually inspecting GRP002, S-1 – Combined Boiler Stack, EQT003, Plane Shavings Conveyor System Cyclone, EQT004, Chip Pneumatic Conveyor System Cyclone (Rail Shipment), EQT005, Lumber Dry Kiln No. 4, EQT006, Lumber Dry Kiln No. 5, and EQT008, Chip Pneumatic Conveyor System Cyclone (Truck Shipment), at the Coushatta Sawmill for opacity on a daily basis. If an increase in visible emissions above normal operation is detected, then within three (3) working days, the permittee shall conduct a six minute opacity reading in accordance with 40 CFR 60, Appendix A, Method 9 (qualified observers required). The equipment in this specific condition shall be inspected every six months and whenever visual observations indicate a need, and shall be repaired as necessary. Records of visual and opacity checks (including date and time of the check, emission point identifier, operational status of emission point, observed results and conclusion, and any Method 9 results), and inspections of the boiler stack, cyclones, or lumber dry kiln shall be kept on site and available for inspection by the Office of Environmental Compliance, Surveillance Division.

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VII. GLOSSARY

Carbon Monoxide (CO) – A colorless, odorless gas, which is an oxide of carbon.

Maximum Achievable Control Technology (MACT) – The maximum degree of reduction in emissions of each air pollutant subject to LAC 33:III:Chapter 51 (including a prohibition on such emissions, where achievable) that the administrative authority, upon review of submitted MACT compliance plans and other relevant information and taking into consideration the cost of achieving such emission reduction, as well as any non-air-quality health and environmental impacts and energy requirements, determines is achievable through application of measures, processes, methods, systems, or techniques.

Hydrogen Sulfide (H₂S) – A colorless inflammable gas having the characteristic odor of rotten eggs, and found in many mineral springs. It is produced by the reaction of acids on metallic sulfides, and is an important chemical reagent.

New Source Review (NSR) – A preconstruction review and permitting program applicable to new or modified major stationary sources of air pollutants regulated under the Clean Air Act (CAA). NSR is required by Parts C ("Prevention of Significant Deterioration of Air Quality") and D ("Nonattainment New Source Review").

Nitrogen Oxides (NO_x) – Compounds whose molecules consist of nitrogen and oxygen.

Organic Compound – Any compound of carbon and another element. Examples: Methane (CH₄), Ethane (C₂H₆), Carbon Disulfide (CS₂)

Part 70 Operating Permit – Also referred to as a Title V permit, required for major sources as defined in 40 CFR 70 and LAC 33:III.507. Major sources include, but are not limited to, sources which have the potential to emit: ≥ 10 tons per year of any toxic air pollutant; ≥ 25 tons of total toxic air pollutants; and ≥ 100 tons per year of regulated pollutants (unless regulated solely under 112(r) of the Clean Air Act) (25 tons per year for sources in non-attainment parishes).

PM₁₀ – Particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers as measured by the method in Title 40, Code of Federal Regulations, Part 50, Appendix J.

Potential to Emit (PTE) – The maximum capacity of a stationary source to emit any air pollutant under its physical and operational design.

Prevention of Significant Deterioration (PSD) – A New Source Review permitting program for major sources in geographic areas that meet the National Ambient Air Quality Standards (NAAQS) at 40 CFR Part 50. PSD requirements are designed to ensure that the air quality in attainment areas will not degrade.

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Sulfur Dioxide (SO_2) – An oxide of sulfur.

Sulfuric Acid (H_2SO_4) – A highly corrosive, dense oily liquid. It is a regulated toxic air pollutant under LAC 33:III.Chapter 51.

Title V Permit – See Part 70 Operating Permit.

Volatile Organic Compound (VOC) – Any organic compound, which participates in atmospheric photochemical reactions; that is, any organic compound other than those, which the administrator of the U.S. Environmental Protection Agency designates as having negligible photochemical reactivity.